

Message Text

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TAGS: EEC

SUBJECT: THE EC COMMISSION REPORT ON EUROPEAN UNION

REF EC BRUSSELS 5745

1. SUMMARY. THE EC COMMISSION HAS COMPLETED ITS REPORT ON EUROPEAN UNION REQUIRED BY THE 1972 PARIS SUMMIT. THE REPORT CALLS FOR EVENTUAL CREATION OF A "COLLEGIAL" EUROPEAN GOVERNMENT AND, MEANTIME, BETTER USE OF THE EXISTING COMMUNITY INSTITUTIONS. IT SKETCHES OUT A NUMBER OF AREAS OF COMPETENCE FOR THE ULTIMATE EUROPEAN UNION, INCLUDING FOREIGN POLICY AND -- WITHOUT DETAIL -- DEFENSE. IT AVOIDS SETTING TIMETABLES OR TARGET DATES. THE ONLY NEAR-TERM SUGGESTION OF NOTE IS DIRECT ELECTION OF THE EUROPEAN PARLIAMENT. END SUMMARY

2. THE EC COMMISSION'S REPORT ON EUROPEAN UNION, APPROVED JUNE 26, AND RELEASED IN SUMMARY FORM TO THE PRESS ON JUNE 27, IS A COMPANION PIECE TO THOSE PREPARED BY THE PARLIAMENT (REFTEL) AND OTHER COMMUNITY INSTITUTIONS. IT WILL BE PUT TOGETHER WITH TINDEMAN'S "WISE MAN" REPORT SCHEDULED TO BE COMPLETED BY THE END OF THE YEAR.

3. WE WILL TRANSMIT THE FULL COMMISSION REPORT WHEN AVAILABLE. FOLLOWING IS OUR INFORMAL TRANSLATION OF THE OPERATIVE PORTIONS UNCLASSIFIED

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OF THE FRENCH LANGUAGE SUMMARY JUST RELEASED.

4. BEGIN SUMMARY:

WHAT SHOULD BE THE NATURE AND SCOPE OF THE EUROPEAN UNION?

THE UNION SHOULD CONSIST OF A SINGLE ORGANIZATION BASED ON THE COMMON VALUES OF ALL THE MEMBER STATES. AT THE INTERNATIONAL LEVEL IT SHOULD BE THE EXPRESSION OF A EUROPEAN IDENTITY AS DEFINED AT THE COPENHAGEN SUMMIT. THE UNION WOULD BE ONLY GIVEN THE RESPONSIBILITIES THAT THE MEMBER STATES CAN NO LONGER ACCOMPLISH EFFECTIVELY. THE UNION WOULD THUS HAVE SPECIFIED COMPETENCES; THE AREAS OF ITS RESPONSIBILITY WOULD BE DETERMINED BY AN ACT OF ESTABLISHMENT, OTHER FIELDS BEING RESERVED TO THE MEMBER STATES. THE PROCESS OF TRANSFERRING CERTAIN COMPETENCES TO THE EUROPEAN LEVEL WOULD NOT HOWEVER PREVENT GREATER DECENTRALIZATION. THE NECESSITY FOR ACTION, EXPERIENCE UNDER THE PRESENT TREATIES, AND RECOGNIZED SHORT-COMINGS IN THE METHOD OF SIMPLE COORDINATION OF NATIONAL POLICIES ALL DEMONSTRATE THE NEED FOR THE INSTITUTIONS OF THE UNION TO HAVE THEIR OWN POWERS OF DECISION AND CONTROL -- AS IS THE CASE IN CERTAIN LIMITED FIELDS IN THE PRESENT COMMUNITY. THE INSTITUTIONS SHOULD ALSO HAVE THEIR OWN MEANS OF FINANCIAL ACTION AS WELL AS A JUDICIARY FUNCTION TO BE DEVELOPED WITH THE PRESENT POWERS OF THE COURT OF JUSTICE AS A POINT OF DEPARTURE.

5. THE COMPETENCES OF THE UNION

A. ESTABLISHMENT OF AN INTEGRATED ECONOMIC AND SOCIAL SYSTEM.

THE UNION SHOULD RETAIN THE PRINCIPAL OBJECTIVE OF THE EXISTING COMMUNITY -- CREATION OF AN ECONOMIC AND MONETARY UNION.

6. MONETARY AFFAIRS:

THE EVENTUAL CREATION OF A MONETARY UNION REMAINS A NECESSARY CONDITION FOR ECONOMIC INTEGRATION WITHIN THE COMMUNITY AND FOR THE EXTERNAL COHESION OF THE UNION. THE ULTIMATE OBJECTIVE SHOULD BE TO GIVE THE UNION COMPETENCE OVER CURRENCY QUESTIONS. THIS OBJECTIVE CAN BE ATTAINED PARTLY BY STRENGTHENING BOTH THE COORDINATION OF ECONOMIC POLICIES AND THE COMMUNITY FOREIGN
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EXCHANGE SYSTEM. IT CAN ALSO BE STRENGTHENED BY THE PROGRESSIVE DEVELOPMENT OF A MONETARY INSTRUMENT FOR THE COMMUNITY WHICH WOULD BE ISSUED BY THE MONETARY AUTHORITIES OF THE UNION AND, INITIALLY, WOULD BE UTILIZED EXCLUSIVELY FOR TRANSACTIONS AMONG CENTRAL BANKS. IMPLEMENTATION OF A NEW MONETARY INSTRUMENT COULD BE ENTRUSTED TO THE EUROPEAN MONETARY COOPERATION FUND -- AN EMBRYO OF THE FUTURE CENTRAL MONETARY AUTHORITY -- UNDER POLITICAL CONTROL OF THE PRESENT COMMUNITY INSTITUTIONS.

7. BUDGETARY AFFAIRS

IF THE UNION IS TO PLAY ITS TRUE ROLE IN DIRECTING AND REFORMING THE ECONOMY, IT SHOULD BE GIVEN ITS OWN BUDGET WITH INCREASED FUNDS. IT SHOULD ALSO HAVE SUFFICIENT FLEXIBILITY TO PERMIT IT TO REACT MORE QUICKLY TO THE CHANGING NEEDS OF THE UNION AS A WHOLE. IT IS NOT NECESSARY, HOWEVER, THAT AN INCREASE IN BUDGETARY EXPENDITURES OF THE UNION, IN AND OF ITSELF, INCREASE THE RATE OF PUBLIC EXPENDITURES. IN MANY CASES, SUCH A BUDGET WOULD PERMIT ECONOMIES AND NATIONAL BUDGETS AND PERMIT MORE RATIONAL USE OF RESOURCES. THE BUDGET SHOULD BE FINANCED BY A SYSTEM OF "OWN RESOURCES." THIS SYSTEM SHOULD BE SIMPLE AND EQUITABLE FROM THE STANDPOINT OF ITS IMPACT ON THE DIFFERENT NATIONAL ECONOMIES AND FROM THE STANDPOINT OF ITS SOCIAL IMPACT.

7. IMPROVEMENT IN BASIC SERVICES AND ELIMINATION OF ECONOMIC IMBALANCES

THE UNION WOULD TAKE ACTION ON NEW PROBLEMS WHICH MANIFEST THEMSELVES AT THE COMMUNITY LEVEL. IT WOULD FINANCE SPECIFICLY COMMON ACTIONS AND POLICIES. EXAMPLES WOULD BE REGIONAL POLICY AND IMPROVEMENT INFRASTRUCTURE.

8. SOCIAL AFFAIRS

THE UNION SHOULD PROGRESSIVELY ESTABLISH UNIFORM MINIMUM STANDARDS FOR SOCIAL SECURITY AND PROTECTION. THIS WOULD IN NO WAY PREVENT THE MEMBER STATES FROM SETTING HIGHER STANDARDS. IN CERTAIN AREAS, FOR EXAMPLE, PROTECTION OF MIGRANT WORKERS,

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THE UNION ITSELF COULD ESTABLISH--BY DIRECTING LEGISLATION
--COMMON POLICIES WITH COMMON FINANCING. ON ALL THESE ISSUES,
THE POLICIES WOULD HAVE TO BE SUPPORTED BY RULES APPLICABLE
TO ALL BUT WITH SUFFICIENT FLEXIBILITY TO BE ADAPTED TO THE
REQUIREMENTS OF EACH COUNTRY. NEVERTHELESS, THE UNION IN STRENT-
THENING ITS OWN MEANS OF ACTION WOULD BE ABLE TO INTERVENE
DIRECTLY TO CORRECT THE MOST SERIOUS IMBALANCES. NATIONAL AND
REGIONAL AUTHORITIES IN THE MEMBER STATES WOULD, HOWEVER,
RETAIN THEIR FREEDOM OF ACTION IN MANY SECTORS.

9. B. FOREGIN POLICY

DEVELOPMENT OF A FOREIGN POLICY FOR THE UNION IS INDISPENSIBLE
IN ORDER TO GIVE EUROPE ITS RIGHTFUL PLACE IN INTERNATIONAL
RELATIONS AND TO ASSURE THE EFFECTIVENESS OF COMMON POLICIES
WITHIN. THERE WILL, OF COURSE, BE SOME FIELDS IN WHICH THE
MEMBER STATS RETAIN EXCLUSIVE COMPETENCE AND OTHERS WHERE
THE UNION AND THE MEMBER STATES WILL NEED TO ACT JOINTLY.
IN PARTICULAR, THE UNION MUST HAVE EXTERNAL POWERS COVERING
THE SAME FIELDS AND OF THE SAME NATURE AS THOSE PERTAINING TO
ITS INTERNAL DEVELOPMENT.

10. C. DEFENSE

IN THE COMMISSION'S VIEW, A TRUE EUROPEAN UNION CANNOT AVOID
COMING TO GRIPS WITH THE PROBLEM OF DEFENSE. INTEGRATION IN
THIS AREA IS HOWEVER DEPENDANT ON--AND FOLLOWS--PROGRESS IN THE
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FIELD OF FOREGIN POLICY AND STRENGTHENING OF THE COMMUNITY'S
SOLIDARITY. MEANWHILE, HOWEVER, IT IS APPROPRIATE TO DEAL WITH
CERTAIN URGENT PROBLEMS SUCH AS THAT OF THE ARMS INDUSTRY.

11. D. PROTECTION OF HUMAN RIGHTS

THE DEMOCRATIC CHARACTER OF THE EUROPEAN UNION MAKES PROTECTION
OF HUMAN RIGHTS A FUNDAMENTAL ELEMENT IN THE NEW POLITICAL
DEVELOPMENT AND FUNCTIONING OF THE UNION'S INSTITUTIONS. FOR
THIS REASON, IT WILL BE APPROPRIATE TO SET FORTH A LIST OF
SPECIFIC RIGHTS IN THE BASIC ACT OF THE UNION.

12. THE INSTITUTIONAL STRUCTURE OF THE EUORPEAN UNION FOR THE
PRESENT THE COMMISSION HAS NOT WORKED OUT DEFINITION IDEAS ON
THIS SUBJECT. SOLUTIONS UNDER THIS HEADING WILL BE A FUNCTION
OF FUTURE DEVELOPMENTS THAT CANNOT BE EVALUATED TODAY--FOR EXAMPLE
DIRECT ELECTION OF THE EUROPEAN PARLIAMENT. CONSEQUENTLY THE
COMMISSION HAS SIMPLY SKETCHED THE BROAD OUTLINES AS A BASIS
FOR FUTURE DISCUSSIONS.

13. THE UNION'S INSTITUTIONAL SYTEM SHOULD BE BASED ON A SINGLE STRUCTURE COVERING ALL THE POWERS GRANTED TO THE UNION. THE SAME BODY SHOULD CARRY OUT EACH BROAD FUNCTION IRRESPECTIVE OF THE SPECIFIC FIELD OF ACTION WITH THE ADVENT OF THE EUROPEAN UNION, THERE WILL STILL BE A NECESSITY FOR AN INSTITUTION-ALIZED DIALOGUE"--AS IN THE PRESENT COMMUNITY--BETWEEN THOSE BODIES REPRESENTING THE COMMON INTEREST AND THOSE REPRESENTING NATIONAL INTERESTS. THE GRANTING OF IMPORTANT POWERS TO THE INSTITUTIONS OF THE UNION IMPLIES, MOREOVER, A GRANT OF GREATER RESPONSIBILITIES TO DIRECTLY-ELECTED PARLIAMENT. AS A COROL-LARY, THE LEGISLATIVE AND EXECUTIVE FUNCTIONS OF THE UNION SHOULD BE DEFINED IN A MORE RATIONAL MANNER.

14. FROM THE BEGINNING, THE UNION SHOULD HAVE A COMPLETE INSTITUTIONAL SYTEM. THIS DOES NOT MEAN, HOWEVER, THAT THE SYSTEM MUST BE DEFINITIVE. IT DOES MEAN, NEVERTHELESS, CREATION OF THE POLITICAL ORGANS THAT ARE INDISPENSISBLE FOR THE UNION TO CARRY OUT ALL OF ITS RESPONSIBILITY FOR WHAT WILL INEVITABLY BE A LENGTHY (TRANSITIONAL) PERIOD.

15. THE COMMISSION CONSIDERS THAT THE CHOICE AMONG VAIIOUS POSSIBLE MODELS FOR THE LEGISLATIVE AND EXECUTIVE ORGANIZATION UNCLASSIFIED

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IS A BASIC POLITICAL QUESTION. HOWEVER, THE FOLLOWING MODEL REPRESENTS THE COMMISSION'S VIEW OF THE MOST APPROPRIATE UL-TIMATE SOLUTION: A COLLEGIAL EUROPEAN GOVERNMENT COMPOSED OF INDIVIDUALS INDEPENDENT OF NATIONAL GOVERNMENTS AND EXER-CISING THE COMBINED EXECUTIVE FUNCTIONS OF THE PRESENT COUNCIL OF MINISTERS AND THE COMMISSION; A BICAMERAL LEGISLATIVE SYSTEM WITH ONE CHAMBER REPRESENTING THE PEOPLES OF THE COMMUNITY AND ONE CHAMBER REPRESENTING THE STATES, DERIVED FROM THE NATIONAL GOVERNMENTS. THE COMMISSION BELIEVES THAT FOR A LIMITED TRANSI-TION PERIOD THIS SYSTEM SHOULD BE SUPPLEMENTED BY A COMMITTEE OF MINISTERS MADE UP OF GOVERNMENTAL REPRESENTIVES TO PARTI-CIPATE IN THE ADOPTION OF CERTAIN DECISIONS BY THE EUORPEAN GOVERNMENT. THE ROLE OF THE NATIONAL HEADS OF GOVERNMENT WILL BE CRUCIAL DURING THE PERIOD OF PROGRESS TOWARD EUROPEAN UNION.

16. HOW TO REACH THE STAGE OF EUROPEAN UNION?
THE EXERCISE OF NEW POWERS OF THE UNION WILL INVOLVE A GRADUAL PROCESS EXTENDING OVER A VERY LONG PERIOD. THE COMMISSION'S PREFERENCE IS TO AVOID SUGGESTING A PREDETERMINED TIMETABLE. IT BELIEVES THAT THE IMPLEMENTATION OF NEW POLICIES WILL BE DETERMINED ESSENTIALLY BY OBJECTIVE NECESSITIES AND BY QUESTIONS OF POLITICAL BALANCE. THE DEFINITION OF THESE NEW RESPONSI-BILITIES--AS WELL AS MODIFICATIONS IN THE INSTITUTIONAL SYSTEM --SHOULD NEVERTHELESS TAKE PLACE FROM THE BEGINNING OF THE UNION. THIS IMPLIES THAT THE UNION SHOULD BE BASED ON A CONSTI-

TUENT ACT IN THE FORM OF A NEW TREATY SUBJECT TO RATIFICATION
BY THE PARLIAMENTS OF ALL MEMBER STATES.

17. HOW SHOULD ONE APPROACH THE WORKING OUT OF A NEW TREATY?
RATHER THAN TAKING A POSITION ON THIS QUESTION, THE COMMISSION
PREDERS TO AWAIT THE POLITICAL DEBATE ON THE EUROPEAN UNION
AND, FOR THE PRESENT, SIMPLY TO SUGGEST TWO POSSIBLE FORMULAS:
THE NWE TREATY SHOULD BE WORKED OUT EITHER BY A CONFERENCE
OF MEMBER STATES OR BY THE DIRECTLY-ELECTED EUROPEAN PARLIAMENT
ACTING UNDER A MANDATE FROM THE EUROPEAN COUNCIL LAYING DOWN
GENERAL GUIDELINES. THIS DEVELOPMENT SHOULD IN ANY CASE BE
LINKED WITH NEW MOVEMENT TOWARD COMMON POLICIES ON THE BASIS
OF THE PRESENT TREATIES.GREENWALD

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